



**Environmental Services Division**  
**Energy and Waste Management Bureau**

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**CRUDE OIL AND GASOLINE PRICES DROP AS SUMMER DRIVING SEASON GETS UNDERWAY**

**DES MOINES** — Summer officially begins today, and as the summer driving season kicks into full swing, gasoline prices in Iowa continue their decline from record highs last month.

According to the Iowa DNR's June 15, 2004, fuel price survey, gasoline prices are \$0.10 lower than one month ago, averaging \$1.86 for a gallon of self-serve, regular unleaded gasoline. Wholesale gasoline prices dropped more than \$0.07 during the same time period. The decreases in prices are due to lower oil prices and reduced fears about adequate gasoline supply.

"Gasoline prices will continue to be volatile throughout the summer driving season due to continued terrorist threats and strong demand," said Tami Foster, DNR energy analyst. "However, it is possible this summer that we could see prices across the state in the \$1.70s if the market remains stable."

According to the June 15 survey, prices across the state ranged from \$1.63 to \$2.00 per gallon and are \$0.38 higher than this time last year. Currently, retail conventional unleaded gasoline prices in Iowa are \$0.07 lower than the national average of \$1.93 per gallon and \$0.01 lower than the regional average of \$1.87 per gallon.

The average price for regular unleaded gasoline blended with ethanol was \$1.84 per gallon. Ethanol-blended gasoline currently represents 67.7 percent of the market share.

"Iowa motorists continue to choose ethanol-blended gasoline at the pump, in part because it is usually one to four cents cheaper than regular gasoline," said Foster.

To help consumers improve fuel efficiency, the Iowa DNR has placed tips and information on fuel savings and alternative fuels on its website at [www.iowdnr.com](http://www.iowdnr.com).

Crude oil finished trading on June 17 at \$37.33 per barrel, \$4.20 lower than last month. One year ago, crude was \$30.38 per barrel. The drop in crude oil prices from last month is due to OPEC increasing production to level prices for the summer driving season and increasing inventory levels. National crude oil inventory is 5.4 percent higher than the previous year, but at the lower limit of the normal range. The DNR expects crude oil prices to remain volatile while inventories are relatively low and the threat of terrorism is high.

The average price of self-serve diesel fuel on June 15 was \$1.72, down \$0.03 from last month and \$0.06 higher than the regional average of \$1.66 per gallon. Diesel fuel was \$1.45 per gallon one year ago.

### **Propane**

The June 11 survey found the average retail price of propane was \$1.03 per gallon. This is \$0.01 higher than the previous month and 10 percent above the retail price of propane at this time last year (\$0.94 per gallon). Midwest propane inventories are nearly 35 percent higher than last year at this time and are within the five-year average.

### **Heating Oil Prices**

The June 11 survey found the average retail price of No. 2 heating oil was \$1.32 per gallon. This is \$0.02 lower than last month and 23 percent above the price of heating oil at this time last year (\$1.07 per gallon). Midwest heating oil inventories are 5 percent lower than this time last year and are within the five-year average.

### **Natural Gas**

Natural gas closed at \$6.36 per million Btu on June 17, \$0.06 lower than last month and 4 percent higher than one year ago. Due to forecasts for warmer-than-usual temperatures over much of the nation this summer, natural gas prices will remain volatile.

### **MOTOR FUELS SURVEY**

<b>Self-Serve</b>	<b>May 15</b>	<b>June 15</b>	<b>Change</b>
Regular Unleaded	1.96	1.86	-0.10
Regular Unleaded with Ethanol	1.94	1.84	-0.10
Premium Unleaded	2.04	1.96	-0.08
Diesel	1.75	1.72	-0.03
<b>Full-Serve</b>	<b>May 15</b>	<b>June 15</b>	<b>Change</b>
Regular Unleaded	2.07	1.92	-0.15
Regular Unleaded with Ethanol	2.07	1.91	-0.16
Premium Unleaded	2.23	2.05	-0.18
Diesel	1.83	1.84	+0.01

### **HEATING FUELS SURVEY**

	<b>May 17</b>	<b>June 11</b>	<b>Change</b>
Propane	1.02	1.03	+0.01
#2 Heating Oil	1.34	1.32	-0.02
Natural Gas	6.42	6.36	-0.06

### **AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES**

	<b>May 15</b>	<b>June 15</b>	<b>Change</b>
Ames	1.98	1.87	-0.11
Cedar Rapids	1.89	1.88	-0.01
Council Bluffs	1.95	1.90	-0.05
Davenport	1.94	1.86	-0.08
Des Moines	1.93	1.85	-0.08
Dubuque	1.99	1.86	-0.13
Fort Dodge	2.01	1.96	-0.05
Iowa City	2.00	1.92	-0.08
Sioux City	1.95	1.71	-0.24
Waterloo	1.92	1.85	-0.07

Webster City	2.05	1.93	-0.12
Average Metro Price	1.95	1.86	-0.09

**AVERAGE SELF-SERVE UNLEADED PRICES IN RURAL IOWA**

	<b>May 15</b>	<b>June 15</b>	<b>Change</b>
Northeast	1.95	1.83	-0.12
Northwest	1.97	1.85	-0.12
Southeast	1.96	1.86	-0.10
Southwest	1.95	1.87	-0.08
Rural Area Average	1.96	1.85	-0.11

**WHOLESALE PRICES IN METROPOLITAN AREAS AROUND IOWA**

<b>Unleaded (cents per gallon)</b>	<b>May 13</b>	<b>June 3</b>	<b>Change</b>
Des Moines	147.98	140.39	-7.59
Dubuque	149.09	140.94	-8.15
<b>Diesel Fuel (cents per gallon)</b>	<b>May 13</b>	<b>June 3</b>	<b>Change</b>
Des Moines	117.46	113.83	-3.63
Dubuque	118.21	114.53	-3.68